AMENDED IN SENATE MAY 30, 1996 AMENDED IN ASSEMBLY APRIL 29, 1996

CALIFORNIA LEGISLATURE-1995-96 REGULAR SESSION

ASSEMBLY BILL

No. 2536

Introduced by Assembly Member Miller

February 21, 1996

An act to amend Sections 10208.5, 10210, 10213.5, and 10215 10209.5, 10210, 10213.5, 10213.6, 10214.5, 10215, 10222, and 11011 of the Business and Professions Code, relating to real estate brokers, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2536, as amended, Miller. Real estate brokers: fees.

Existing law prescribes various fees to be charged by the Real Estate Commissioner to applicants and licensees of the department and to the public for specified public reports. Under existing law, certain higher levels of fees are in effect until December 31, 1997, at which time those fees are to be replaced by certain lower levels of fees.

Existing law also provides for the Real Estate Commissioner, by regulation, to prescribe lower fees than the maximum fees otherwise prescribed by law if the balance in the Real Estate Fund exceeds a specified amount in certain fiscal years. Pursuant to Chapter 416 of the Statutes of 1993, if the commissioner does not act within a specified time frame, the provisions containing the higher fees would automatically be repealed and the provisions containing the lower fees

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would automatically become operative and effective. Pursuant to that law, similar provisions would apply if any funds are transferred from the Real Estate Fund to the General Fund in certain fiscal years.

This bill would delete the December 31, 1997, termination date now applicable to the higher levels of fees, thereby extending those fees indefinitely, unless repealed pursuant to the provisions of Chapter 416 of the Statutes of 1993. Since these higher fees would be deposited into the continuously appropriated Real Estate Fund, the bill would make an appropriation. The bill would also provide that the alternative provisions containing the lower fee levels would only become operative upon failure of the commissioner to act or upon transfer of funds from the Real Estate Fund to the General Fund, as specified.

The Real Estate Law imposes specified fees on real estate brokers and sales persons for examination and licensing. The provisions establishing those fees will, under current law, be repealed on December 31, 1997, unless repealed earlier by the occurrence of a specified event.

This bill would delete the December 31, 1997, repeal date and would provide that the provisions shall remain in effect unless repealed by the occurrence of the specified event. The bill would also increase those fees. Since these fees would be deposited into the continuously appropriated Real Estate Fund, the bill would make an appropriation.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 10208.5 of the Business and 2 Professions Code, as amended by Section 5 of Chapter 416 3 of the Statutes of 1993, is amended to read:
- 4 10208.5. The real estate broker license examination 5 fee is ninety-five dollars (\$95). The real estate broker
- 6 license reexamination fee is ninety-five dollars (\$95).
- 7 If an applicant fails to appear for the examination
- 8 within two years from the date of filing his or her
- 9 application and fee for the examination, his or he

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application shall thereupon lapse and further no proceedings thereon shall be taken.

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This section shall remain in effect unless it is repealed pursuant to the provisions of Section 28 of Chapter 416 of the 1993–94 Regular Session.

SEC. 10208.5 2. Section of the Business Professions Code, as amended by Section 5.5 of Chapter 416 of the Statutes of 1993, is amended to read:

10208.5. The real estate broker license examination 10 fee is fifty dollars (\$50). The real estate broker license reexamination fee is fifty dollars (\$50).

If an applicant fails to appear for the examination within two years from the date of filing his application and fee for the examination, his or her application shall thereupon lapse and no further proceedings thereon shall be taken.

This section shall *only* become operative on January 1, 18 1998, unless it becomes operative on an earlier date pursuant to the provisions of Section 28 of the act that adds this section at the 1993 portion of the 1993-94 Regular Session Chapter 416 of the Statutes of 1993.

SEC. 3. Section 10209.5 of the Business Professions Code, as amended by Section 6 of Chapter 416 of the Statutes of 1993, is amended to read:

10209.5. The fee for a restricted broker license shall not exceed two hundred fifteen dollars (\$215).

This section shall remain in effect until December 31, 28 1997, and as of that date is repealed, unless it is repealed on an earlier date pursuant to the provisions of Section 28 of the act that amends this section at the 1993 portion of the 1993-94 Regular Session Chapter 416 of the Statutes of 1993.

SEC. 4. Section 10209.5 of the Business and Professions Code, as added by Section 6.5 of Chapter 416 of the Statutes of 1993, is amended to read:

10209.5. The fee for a restricted broker license shall not exceed one hundred sixty-five dollars (\$165).

This section shall *only* become operative on January 1, 1998, unless it becomes operative on an earlier date pursuant to the provisions of Section 28 of the act that AB 2536 **—4—**

- adds this section at the 1993 portion of the 1993-94
- Regular Session Chapter 416 of the Statutes of 1993.
- SEC. 5. Section 10210 of the Business and Professions 3
- Code, as amended by Section 7 of Chapter 416 of the
- 5 Statutes of 1993, is amended to read:
- 10210. The fee for a real estate broker license shall not 6 exceed three hundred dollars (\$300).
- In the case of an original applicant, the fee is payable 8 9 after the applicant is notified of passing the examination 10 for license.
- This section shall remain in effect unless it is repealed pursuant to the provisions of Section 28 of Chapter 416 of 13 the 1993–94 Regular Session.
- 14 SEC. 3.

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- SEC. 6. Section 10210 of the Business and Professions 15 16 Code, as added by Section 7.5 of Chapter 416 of the 17 Statutes of 1993, is amended to read:
- 10210. The fee for a real estate broker license shall not 18 19 exceed one hundred sixty-five dollars (\$165).
- 20 In the case of an original applicant, the fee is payable 21 after the applicant is notified of passing the examination 22 for license.
- 23 This section shall *only* become operative on January 1. 24 1998, unless it becomes operative on an earlier date pursuant to the provisions of Section 28 of the act that adds this section at the 1993 portion of the 1993-94 27 Regular Session Chapter 416 of the Statutes of 1993.
- 28 7. Section 10213.5 of the Business SEC. Professions Code, as amended by Section 8 of Chapter 416 of the Statutes of 1993, is amended to read:
- 31 10213.5. The real estate salesperson 32 examination fee is sixty dollars (\$60). The real estate salesperson license reexamination fee is sixty 33 34 (\$60).
- 35 If an applicant fails to appear for the examination 36 within two years from the date of filing his or her
- application and fee for the examination, his 37 or her
- application shall lapse 38 thereupon and no further
- proceedings thereon shall be taken.

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This section shall remain in effect unless it is repealed pursuant to the provisions of Section 28 of Chapter 416 of the 1993–94 Regular Session.

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5 10213.5 of the SEC. 8. Section **Business** Professions Code, as added by Section 8.5 of Chapter 416 6 of the Statutes of 1993, is amended to read:

10213.5. The real estate salesperson examination fee is twenty-five dollars (\$25). The real 10 estate salesperson license reexamination fee is twenty-five dollars (\$25).

If an applicant fails to appear for the examination within two years from the date of filing his application and fee for the examination, his or her application shall thereupon lapse and further proceedings thereon shall be taken.

This section shall *only* become operative on January 1, 18 1998, unless it becomes operative on an earlier date pursuant to the provisions of Section 28 of the act that adds this section at the 1993 portion of the 1993-94 Regular Session Chapter 416 of the Statutes of 1993.

SEC. 9. Section 10213.6 of the Business Professions Code, as amended by Section 9 of Chapter 416 of the Statutes of 1993, is amended to read:

10213.6. If an applicant for any examination fails to take the examination on the date scheduled, he or she may make application in writing to the principal office of the department in Sacramento for a new date. A fee of twenty dollars (\$20) shall accompany the written request 30 for applying for the first new examination date in the case of a broker applicant, and a fee of fifteen dollars (\$15) shall accompany the written request for the first new examination date in the case of a salesperson applicant. A 34 fee of thirty dollars (\$30) shall accompany the written 35 request for all subsequent new examination dates for both 36 broker and salesperson applicants.

This section shall remain in effect until December 31, 1997, and as of that date is repealed, unless it is repealed on an earlier date pursuant to the provisions of Section 28 of the act that amends this section at the 1993 portion of **AB 2536 —6—**

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the 1993–94 Regular Session Chapter 416 of the Statutes of 1993. 2

3 SEC. 10. Section 10213.6 of the Business Professions Code, as added by Section 9.5 of Chapter 416 of the Statutes of 1993, is amended to read: 5

10213.6. If an applicant for any examination fails to 6 take the examination on the date scheduled, he or she may make application in writing to the principal office of the department in Sacramento for a new date. A fee of 10 fifteen dollars (\$15) shall accompany the written request for applying for the first new examination date in the case of a broker applicant, and a fee of ten dollars (\$10) shall 12 13 accompany the written request for the first 14 examination date in the case of a salesperson applicant. A 15 fee of twenty-five dollars (\$25) shall accompany the 16 written request for all subsequent new examination dates 17 for both broker and salesperson applicants.

This section shall *only* become operative on January 1, 1998, unless it becomes operative on an earlier date pursuant to the provisions of Section 28 of the act that adds this section at the 1993 portion of the 1993-94 Regular Session Chapter 416 of the Statutes of 1993.

11. Section 10214.5 of the Business SEC. 24 Professions Code, as amended by Section 10 of Chapter 416 of the Statutes of 1993, is amended to read:

10214.5. The fee for a restricted salesperson license shall not exceed one hundred seventy dollars (\$170), except that for an applicant qualifying pursuant to Section 10153.4 who has not satisfied all of the educational requirements prior to issuance of the license, the fee shall not exceed one hundred ninety-five dollars (\$195).

This section shall remain in effect until December 31, 1997, and as of that date is repealed, unless it is repealed on an earlier date pursuant to the provisions of Section 28 of the act that amends this section at the 1993 portion of the 1993–94 Regular Session Chapter 416 of the Statute of 1993.

38 12. Section 10214.5 of the SEC. Business Professions Code, as added by Section 10.5 of Chapter 416 of the Statutes of 1993, is amended to read:

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10214.5. The fee for a restricted salesperson license shall not exceed one hundred twenty dollars (\$120).

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This section shall *only* become operative on January 1, 1998, unless it becomes operative on an earlier date pursuant to the provisions of Section 28 of the act that 5 adds this section at the 1993 portion of the 1993-94 6 Regular Session Chapter 416 of the Statutes of 1993.

8 SEC. 13. Section 10215 of the Business and Professions 9 Code, as amended by Section 11 of Chapter 416 of the 10 Statutes of 1993, is amended to read:

10215. The fee for a real estate salesperson license shall not exceed two hundred forty-five dollars (\$245), except that for an applicant qualifying pursuant to Section 10153.4 who has not satisfied all of the educational requirements prior to issuance of the license, the fee shall 16 not exceed two hundred seventy-five dollars (\$275).

In the case of an original applicant, the fee is payable after the applicant is notified of passing the examination for license.

This section shall remain in effect unless it is repealed pursuant to the provisions of Section 28 of Chapter 416 of the 1993–94 Regular Session.

SEC. 14. Section 10215 of the Business and Professions Code, as added by Section 11.5 of Chapter 416 of the Statutes of 1993, is amended to read:

10215. The fee for a real estate salesperson license shall not exceed one hundred twenty dollars (\$120), except that for an applicant qualifying pursuant to Section 10153.4 who has not satisfied all of the educational requirements prior to issuance of the license, the fee shall not exceed one hundred forty-five dollars (\$145).

In the case of an original applicant, the fee is payable after the applicant is notified of passing the examination for license.

This section shall *only* become operative on January 1, 36 1998, unless it becomes operative on an earlier date pursuant to the provisions of Section 28 of the act that adds this section at the 1993 portion of the 1993-94 38

Regular Session Chapter 416 of the Statutes of 1993.

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SEC. 15. Section 10222 of the Business and Professions 1 Code, as amended by Section 12 of Chapter 416 of the 3 Statutes of 1993, is amended to read:

10222. For any examination required under any order issued pursuant to the provisions of the Administrative Procedure Act, the fee is thirty dollars (\$30) for salespersons and sixty dollars (\$60) for brokers.

This section shall remain in effect until December 31, 1997, and as of that date is repealed, unless it is repealed on an earlier date pursuant to the provisions of Section 28 of the act that amends this section at the 1993 portion of the 1993-94 Regular Session Chapter 416 of the Statutes of 1993.

SEC. 16. Section 10222 of the Business and Professions Code, as added by Section 12.5 of Chapter 416 of the Statutes of 1993, is amended to read:

10222. For any examination required under any order 18 issued pursuant to the provisions of the Administrative Procedure Act, the fee is twenty-five dollars (\$25) for salespersons and fifty dollars (\$50) for brokers.

This section shall *only* become operative on January 1, 1998, unless it becomes operative on an earlier date pursuant to the provisions of Section 28 of the act that adds this section at the 1993 portion of the 1993-94 Regular Session Chapter 416 of the Statutes of 1993.

SEC. 17. Section 11011 of the Business and Professions Code, as amended by Section 27 of Chapter 416 of the Statutes of 1993, is amended to read:

commissioner 11011. (a) The mav bv prescribe filing fees in connection with applications to the Department of Real Estate pursuant to the provisions of this chapter which are lower than the maximum fees specified in subdivision (b) if the commissioner determines that the lower fees are sufficient to offset the costs and expenses incurred in the administration of this chapter. The commissioner shall hold at least one hearing each calendar year to determine if lower fees than those specified in subdivision (b) should be prescribed.

(b) The filing fee for an application for a public report 39 to be issued under authority of this chapter shall not 40

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exceed the following for each subdivision or phase of a subdivision in which interests are to be offered for sale or 3 lease:

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- notice of intention without (1) A a completed questionnaire: One hundred fifty dollars (\$150).
- (2) An original public report for subdivision interests 11004.5: described in Section One thousand hundred dollars (\$1,700) plus ten dollars (\$10) for each subdivision interest to be offered.
- (3) An original public report for subdivision interests 10 other than those described in Section 11004.5: hundred dollars (\$600) plus ten dollars (\$10) for each 12 13 subdivision interest to be offered.
 - (4) A conditional public report for subdivision described in Section 11004.5: Five hundred interests dollars (\$500).
- 17 conditional public report for subdivision (5) A interests other than those described in Section 11004.5: Five hundred dollars (\$500).
- 20 preliminary public report for subdivision (6) A 21 interests described in Section 11004.5: Five hundred 22 dollars (\$500).
- 23 (7) A preliminary public report for subdivision 24 interests other than those described in Section 11004.5: Five hundred dollars (\$500).
 - (8) A renewal public report for subdivision interests described in Section 11004.5: Six hundred dollars (\$600).
- 28 (9) A renewal public report for subdivision interests other than those described in Section 11004.5: hundred dollars (\$600). 30
- (10) An amended public report for subdivision 32 interests described in Section 11004.5: Five hundred dollars (\$500) plus ten dollars (\$10) for each subdivision 34 interest to be offered under the amended public report for which a fee has not previously been paid.
- (11) An amended public report to offer subdivision 36 interests other than those described in Section 11004.5: 37 Five hundred dollars (\$500) plus ten dollars (\$10) for

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amended public report for which a fee has not previously been paid.

- (c) The subdivision fees actual established regulation under authority of this section and Section 10249.3 shall not exceed the amount reasonably required 6 by the department to administer the provisions of this part and the provisions of Article 8 (commencing with Section 10249) of Chapter 3 of Part 1.
- by (d) All fees collected the department under 10 authority of this chapter shall be deposited into the Real Estate Fund under Chapter 6 (commencing with Section 12 10450) of Part 1. All fees received by the department 13 pursuant to the provisions of this chapter shall be deemed 14 earned upon receipt. No part of any fee is refundable 15 unless the commissioner determines that it was paid as 16 the result of a mistake or inadvertence.

This section shall remain in effect until December 31, 17 18 1997, and as of that date is repealed, unless it is repealed on an earlier date pursuant to the provisions of Section 28 20 of the act that amends this section at the 1993 portion of the 1993-94 Regular Session Chapter 416 of the Statutes 21 22 of 1993.